



General Assembly

February Session, 2012

Raised Bill No. 60

LCO No. 705

00705_____GL_

Referred to Committee on General Law

Introduced by:
(GL)

AN ACT PROHIBITING PRICE GOUGING DURING SEVERE WEATHER EVENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this
2 section, "consumer goods and services" means goods and services that
3 are vital and necessary for the health, safety or welfare of consumers
4 and are used, bought or rendered primarily for personal, family or
5 household purposes, including, but not limited to, the provision of
6 lodging, snow removal, flood abatement and post-storm cleanup or
7 repair services.

8 (b) In the event that adverse weather conditions create an unusually
9 high demand for consumer goods and services, the Governor may
10 proclaim that a severe weather event emergency exists. Upon the
11 proclamation of such emergency, the Governor shall post notice of
12 such proclamation on the home page of the Internet web site of the
13 office of the Governor. Upon determining that such severe weather
14 event emergency has ended, the Governor shall post the end date of
15 such emergency on such web site.

16 (c) During such severe weather event emergency, no person within
17 the chain of distribution of consumer goods and services shall sell or
18 offer to sell consumer goods or services for a price that is
19 unconscionably excessive.

20 (d) (1) A determination that a violation of subsection (c) of this
21 section has occurred shall be based, among other factors, on the
22 following: (A) That the price for which consumer goods and services
23 were sold or offered to be sold was unconscionably excessive, (B) that
24 there was an exercise of unfair leverage or unconscionable means, or
25 (C) a combination of both factors in subparagraphs (A) and (B) of this
26 subdivision.

27 (2) Evidence that: (A) The price for which consumer goods and
28 services were sold or offered to be sold represents a gross disparity
29 between the price of the goods or services that were the subject of the
30 transaction and their value measured by the average price at which
31 such consumer goods or services were sold or offered to be sold by the
32 defendant in the usual course of business during the thirty-day period
33 prior to a severe weather event proclamation made by the Governor
34 pursuant to subsection (b) of this section, or (B) the price for which
35 consumer goods and services were sold or offered to be sold grossly
36 exceeded the price at which the same or similar goods or services were
37 readily obtainable by other consumers in the trade area shall constitute
38 prima facie evidence that the price is unconscionably excessive. A
39 defendant may rebut a prima facie case with evidence that additional
40 costs not within the control of the defendant were imposed on the
41 defendant for such goods or services.

42 (e) A seller of an energy resource, as defined in subsection (a) of
43 section 42-234 of the general statutes, shall be exempt from the
44 provisions of this section.

45 (f) A violation of subsection (c) of this section shall constitute an
46 unfair trade or deceptive practice under subsection (a) of section 42-
47 110b of the general statutes.

48 (g) Each violation and each day on which the violation occurs or
49 continues shall be a separate offense.

50 (h) The provisions of this section shall not be construed to limit the
51 ability of the Commissioner of Consumer Protection or the court from
52 finding certain acts or practices unfair or deceptive pursuant to chapter
53 735a of the general statutes in the absence of a severe weather event
54 emergency proclamation made by the Governor pursuant to
55 subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To protect consumers from price gouging during severe weather market disruptions.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]